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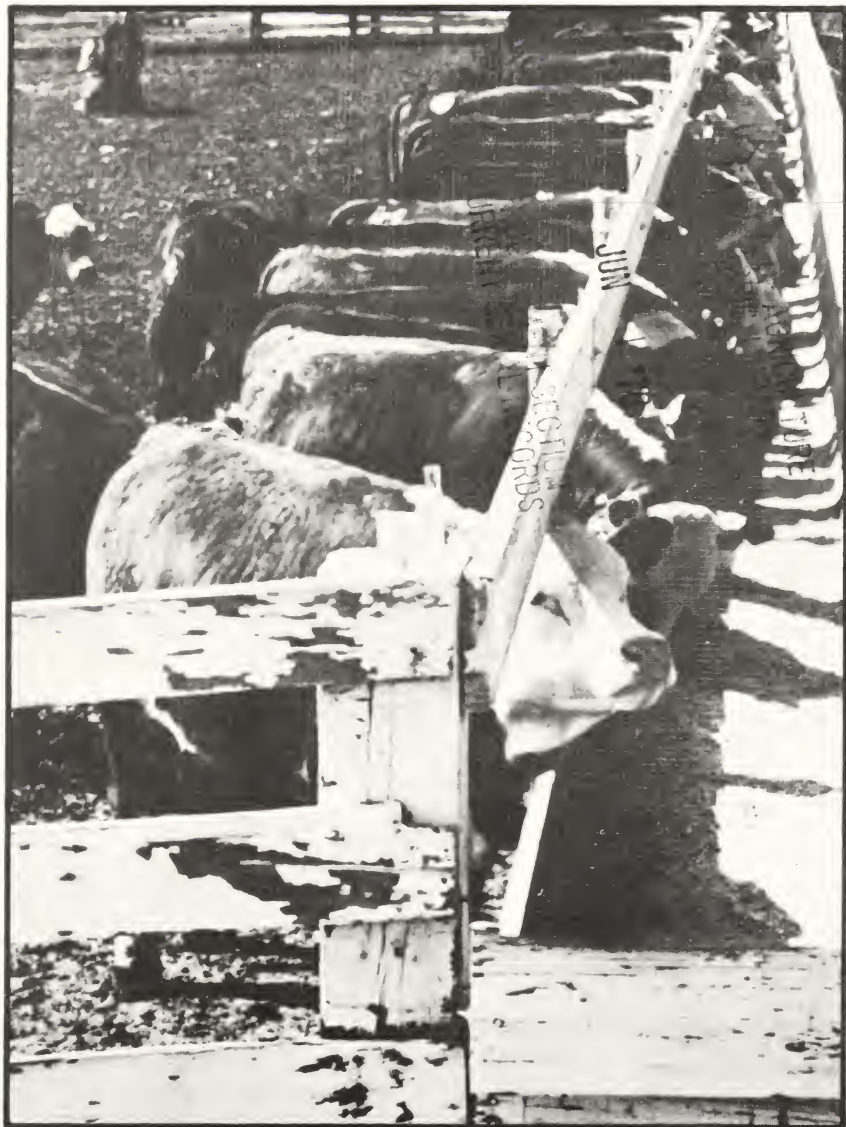


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# agricultural situation

THE CROP REPORTERS MAGAZINE • MAY 1976  
U.S. DEPARTMENT OF AGRICULTURE • STATISTICAL REPORTING SERVICE

DC BRANCH



FEEDLOTS: THE LONG ROAD TO RECOVERY

# FEEDLOTS: THE LONG ROAD TO RECOVERY

They couldn't last forever. The bad times that emptied feedlots and feeders' pockets since 1973 began to moderate late last summer.

By January, the number of cattle on feed in the 23 major feeding States had bounced back to 12.3 million, only 11 percent shy of the all-time record set in January 1973. Not bad, considering that the cattle on feed count had trickled as low as 8½ million head in mid-1975.

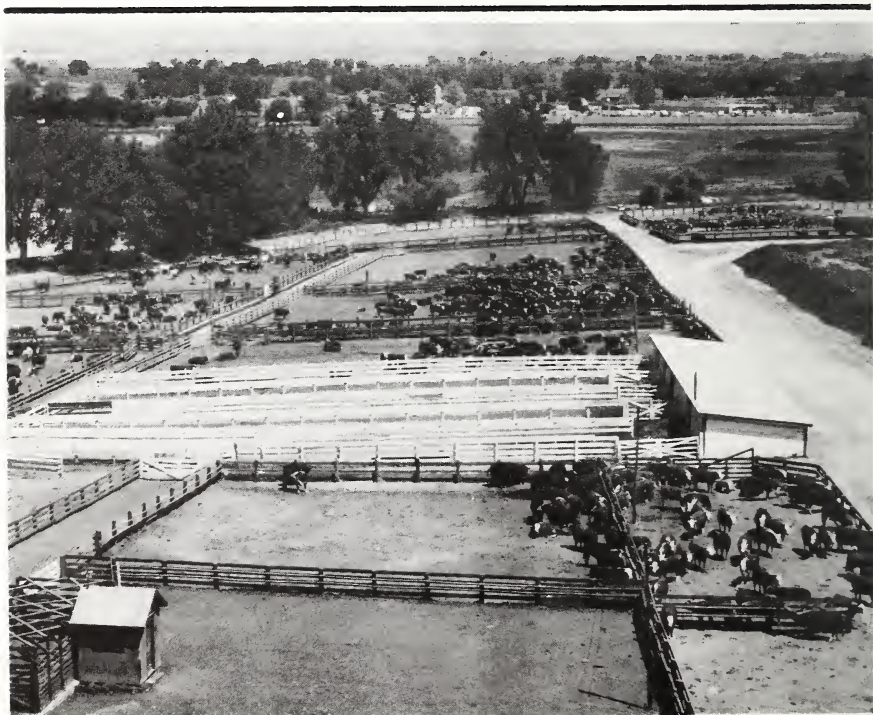
Last year's bumper corn crop helped turn the tables. Also pitching in were a 21-percent hike in grain sorghum production and a 26-percent bigger barley crop, which sent feed grain supplies well above 1974's low levels.

Abundant grain supplies led to

cheaper feed. Last December, for example, the index of prices paid by farmers for feed registered 13 percent lower than the peak levels a year before. And economists say that early this year feed costs probably ranged 10 cents less for each pound of gain.

The start of this year brought more encouraging news for feedlot operators: The Nation's cattle herd had shrunk 3 percent to 128 million head, marking the end of an expansion phase that began in 1967. Next to soaring feed costs, the price-depressing effects of burdensome cattle supplies had been the cattle feeder's worst enemy.

But a full recovery still eluded the Nation's cattle feeders. Under pressure from heavy cattle slaughter and stepped-up fed beef production, fed cattle prices in early March slipped into the \$35 to \$37 range, meaning more losses for most feedlot operators.





Cow slaughter and weather conditions will play a key role in fed cattle prices in coming months. Dry weather in the Southwest has been a main factor in holding cow slaughter relatively high early this year.

If dry conditions persist or worsen, continued heavy cow culling in addition to more fed beef supplies could limit expected price advances in the fed cattle market. But if range conditions remain adequate through summer, cow slaughter would probably trend lower, reducing total beef supplies and boosting prices.

But what happened after those peak feeding periods in 1972 and 1973 that sent the feedlot industry into such a tailspin?

Under pressure from a growing cattle herd and heavy beef supplies, fed cattle prices in Omaha skidded from a peak of \$53 per hundred-weight in August 1973 to \$39 the

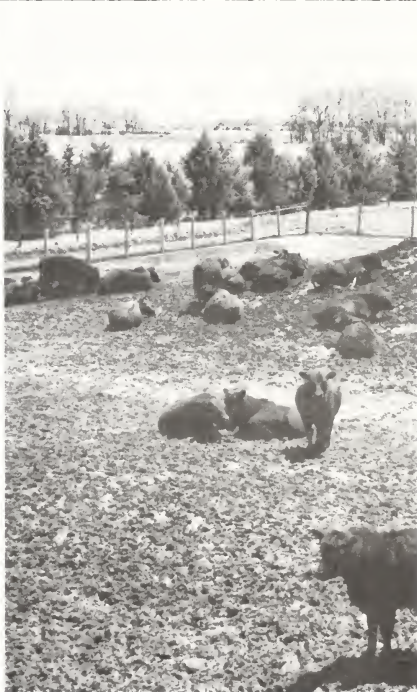
following December. Feeder cattle prices, meantime, climbed to record highs during 1973, catching feedlot operators in a severe cost-price squeeze.

Compounding the problem were feed grain prices that shot sharply higher in second quarter 1973 and stayed high the rest of the year.

January 1974 ushered in heftier prices in fed cattle, easing the financial losses that had become so common among feeders the previous fall. But by mid-March, fed cattle prices again had slipped back near \$40 and losses began mounting all over again.

Reacting to deteriorating market conditions, feedlot operators cut back on feedlot placements in early 1974. By April the number of cattle on feed in the 23 major feeding States stood 8 percent below the previous year.

Heavy financial losses worsened in the spring and Choice cattle



prices dipped to the mid-\$30's in June. Placements on feed dropped 29 percent from a year earlier during second quarter 1974, and July 1 found only 10 million cattle on feed, off 23 percent from January and the smallest number of cattle in feedlots since October 1968.

Lower feeder cattle prices in 1974 were offset by stiffer feed costs, as frost damage and drought slashed corn supplies and drove prices skyward. Many feedlot operators cut corners by placing heavier and more mature animals on feed and feeding them just into the desired grade.

Farmer-feeders in the Corn Belt reacted to \$3.50 corn prices and \$150 meal prices by selling their grain on the cash market rather than feeding livestock. Lacking this alternative, feeders in the South and Southwest were particularly hard hit. Also, these operators rely heavily on outside investment, but investors

began backing off as losses mounted.

By October 1, cattle on feed numbers had further eroded to 9.2 million, with most reductions occurring in the top feeding States. Texas feeders reported 34 percent fewer cattle on feed than the year before; Nebraska 27 percent less; Iowa and Colorado, 25 percent; and California, 26 percent.

Marketings from feedlots during 1974 fell off 8 percent as slaughter of fed steers and heifers made up less than two-thirds of commercial slaughter—versus 77 percent in 1973.

While cattle slaughter reached all-time highs in 1974, the January 1975 cattle inventory revealed that the Nation's cattle herd had grown another 4.2 million head to a record 132 million.

Plagued by burdensome cattle supplies and still suffering from the 1974 drought that had escalated feed



prices and lowered winter roughage supplies, most cattle feeders in early 1975 found themselves in the same loss position they'd been in since late 1973.

During the long slump period, feedlot operators reported losing anywhere from \$50 to \$200 a head. The value of the January cattle inventory illustrates just what a painful situation the country's cattle people were in: though the U.S. cattle herd was 4 million head bigger than in January 1974, its value, at \$21 billion, was down sharply from the previous year.

Cattle on feed in January 1975 totaled 9.6 million head—the lowest January figure since 1965. Texas reported 40 percent fewer animals on feed than a year earlier, while California and Arizona turned in declines of 43 and 48 percent.

Fed cattle prices finally bottomed out with a 27-month low of \$35 per

hundredweight in February. By late March, however, the fed cattle market started showing signs of recovery.

Prospects that spring fed cattle marketings could reach their lowest level in 10 years sent packers scrambling for the small fed beef supply, pushing prices up to \$50 per 100 pounds by early May.

Despite the encouraging prices, cattle feeders showed little interest in expanding their operations on a large scale. On July 1, cattle on feed in the 23 top feeding States totaled only 8½ million head—the same as the April inventory.

As the summer wore on, however, it became apparent that the U.S. was in for a bumper grain harvest, and feedlots began to gear up again.

The October Cattle on Feed report showed 9.3 million animals in feedlots—the first significant quarterly gain since the feeding industry's troubles began.





# ANOTHER BIG YEAR FOR EXPORTS

Fiscal 1976 looks to be another banner year for U.S. farm exports. Total foreign sales are forecast at \$22 billion, up a notch from last year's record \$21.6 billion.

On the volume side, exports of major bulk commodities should total

about 105 million metric tons, somewhat above the fiscal 1974 record and a fifth over the 1975 tally.

The tables below show anticipated volume and value of fiscal '76 exports and how they stack up against the past 2 years.

## VALUE

Commodity Group	FY 1974	FY 1975	Forecast FY 1976
<i>Billion dollars</i>			
Grain and feed	10.810	11.543	12.5
Oilseeds and products	5.225	4.852	4.2
Livestock and livestock products	1.570	1.441	1.5
Fruits and vegetables	1.067	1.177	1.3
Dairy products	.065	.141	.1
Poultry products	.143	.135	.2
Tobacco	.814	.910	.9
Cotton incl. linters	1.311	1.028	.9
Sugar and tropical products	.288	.355	.5
<b>Total*</b>	<b>21.293</b>	<b>21.582</b>	<b>22.1</b>

\*Total may not equal sum. of parts due to rounding.

## VOLUME

Commodity	FY 1974	FY 1975	Forecast FY 1976
<i>Million metric tons</i>			
Wheat and flour	31.053	28.015	35.4
Feed grains	43.734	34.327	45.8
Rice	1.570	2.231	1.9
Soybeans	14.049	11.022	14.0
Vegetable oils	1.050	1.061	.7
Oilcake and meal	4.983	4.263	4.3
Cotton and linters	1.326	.879	.8
Fresh fruit	1.096	1.294	1.3
Tobacco	.313	.290	.27
Animal fat	1.135	1.155	.8
<b>Total*</b>	<b>100.309</b>	<b>84.537</b>	<b>105.27</b>

\*Total may not equal sum of parts due to rounding.



# CANVASSING THE COUNTRY

Fourteen days in late May and early June will be an important period to measure crop and livestock prospects for 1976.

During those days, more than 60,000 operators of agricultural land will be interviewed by data collectors from 42 field offices of SRS. Questions will include: How many sows and gilts are expected to farrow? Are there any beef cattle and calves on the acres you operate? How many acres in this tract will be used to grow field crops in 1976?

This interviewing project flies under the banner of June Enumerative Survey and is SRS's main in-person fact gathering effort. A smaller version of the survey will be done in late November-early December concentrating on winter wheat seedings and livestock data.

Information secured by the enumerators working this spring in all States, except Alaska and Hawaii, will form the foundation for the June 22nd *Hogs and Pigs* report, which will indicate pork supplies for later this year and early 1977; the June 30th *Acreage* release carrying estimates of land planted this spring to all major crops; and the July 26th *Cattle* report providing the latest count of the changing cattle inventory and the expected 1976 calf crop.

Other estimates stemming from the June survey findings: farm numbers, labor, and population; and stocks of grain on farms.

SRS does not contact all producers in its goal to create reliable and useful estimates. Instead, a sample of producers representing all of agriculture is used. The sample for the June survey covers about 0.6 of 1 percent of the total land area in the 48 States.

This means information for about 17,000 land segments—the representative sample—will be collected in the survey. In addition,



enumerators will contact about 16,000 large cattle and hog farms to make sure these elements of agriculture are properly represented.

A land segment covers about 1 square mile in size; those in the Western States may be somewhat larger because of the open rangeland type of farming. In a Corn Belt State, enumerators will account for farming in about 350 segments. The Southern States will average 425 segments to represent their many different types of agriculture. Texas and California enumerators will visit about 1,000 segments in each State. There is usually more than one farmer operating land in a segment, which accounts for the 60,000 interviews.

SRS maintains a number of quality controls to protect the integrity of the survey findings. These include careful selection and training of enumerators, detailed instructions for enumerators to follow, and close field supervision.

The significant fact in all SRS surveys is that the resulting estimates are the direct reflection of raw information collected in the interviews or from data supplied through the mail by thousands of other farmers. While survey participation is voluntary on the part of producers, their cooperation is the most important ingredient in developing agricultural data for use throughout the industry.

# SURVEYSCOPE

**To give our readers a clearer picture of the vast scope of SRS activities, *Agricultural Situation* presents a series of articles on special surveys undertaken in various States. While these are not national surveys, they are important to the agriculture in individual States.**

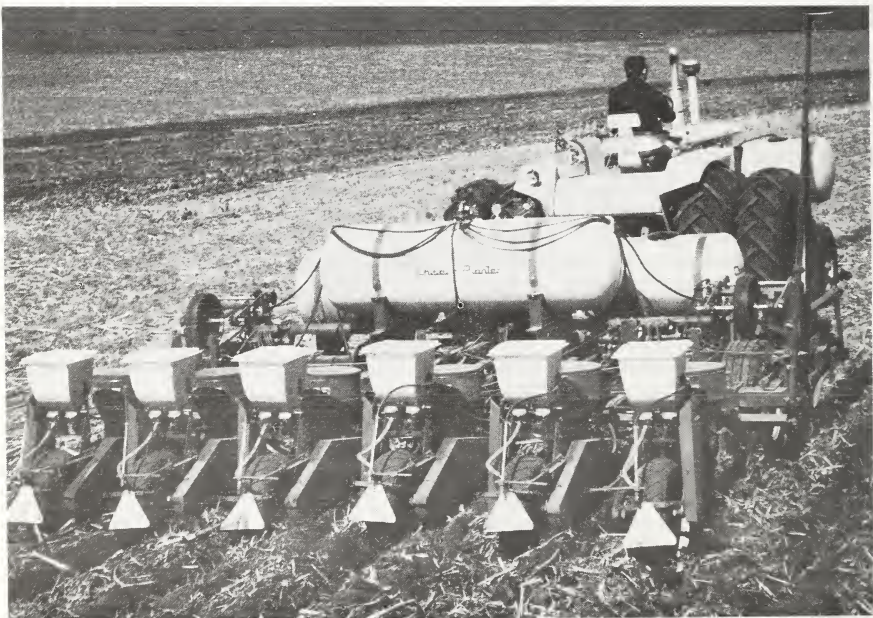
"Custom operations, particularly custom combining, are used very extensively across our State," claims Moe Johnson, Statistician in Charge of the Kansas Crop and Livestock Reporting Service. "For example, while we don't have an official estimate of total wheat area harvested by custom cutters, some say it approaches 5 million acres."

Each year, Johnson's office conducts a survey of the rates paid by Kansas producers for custom services. Before 1973, the survey took place every 5 years, but rapid inflation made it necessary to shift to an annual program.

"We've gotten a lot of help from

farm management specialists at Kansas State University, who've recommended items to be included in the questionnaires," says Johnson. "And each year before we begin the survey, County Extension Directors help update our lists of custom operators throughout Kansas. And, of course, we owe much of the project's success to good cooperation from our respondents."

Last December, roughly 2,000 questionnaires were mailed to a sample of farmers and custom operators. Johnson's office computed average custom rates for all of Kansas by weighting average charges found in each crop reporting district by total



An annual survey of custom rates keeps Kansas farmers up to date on the going charges

acres planted to the particular crop. Survey results appeared in a special bulletin issued in January.

In 1975, Kansas farmers paid steeper rates than a year earlier for most all custom services, though fees climbed less rapidly than in 1974. The average charge for combining wheat advanced 4 percent to \$8.45 an acre. Harvesting rates for grain sorghum were up 41 cents an acre to \$8.90, and farmers paid \$10.04, or 9 percent more than in 1974, to have their soybeans combined.

Corn harvesting rates, in contrast, slipped from 18 to 16 cents a bushel, while custom charges for haying operations—swathing, baling, and stacking—all showed moderate gains.

Survey results also included charges for some of the more popular land tilling operations in Kansas, and rates for row planting of corn, soybeans, and grain sorghum, as well as fees for small grain drilling. Each advanced in 1975.

"The heftier rates paid by Kansas farmers last year stem mainly from

stepped-up fuel, labor, and machinery costs to custom operators," states Johnson. "The index of prices paid for farm machinery jumped 27 percent last year, for instance, and cash hourly wages advanced 16 percent. But custom operators paid only 6 percent more for diesel fuel in 1975—versus 71 percent the year before.

"We also related the custom rates to prices of the major commodities, by showing the custom charges as a share of the per-acre value of each crop."

Combining charges claimed 8 percent of the value of each acre of wheat, grain sorghum, and soybeans custom harvested in Kansas, while rates for combining corn worked out to 6 percent of crop value. Overall, the fees represented a bigger share of crop value than last year, but remained well below the lofty levels recorded in 1965 and 1970.

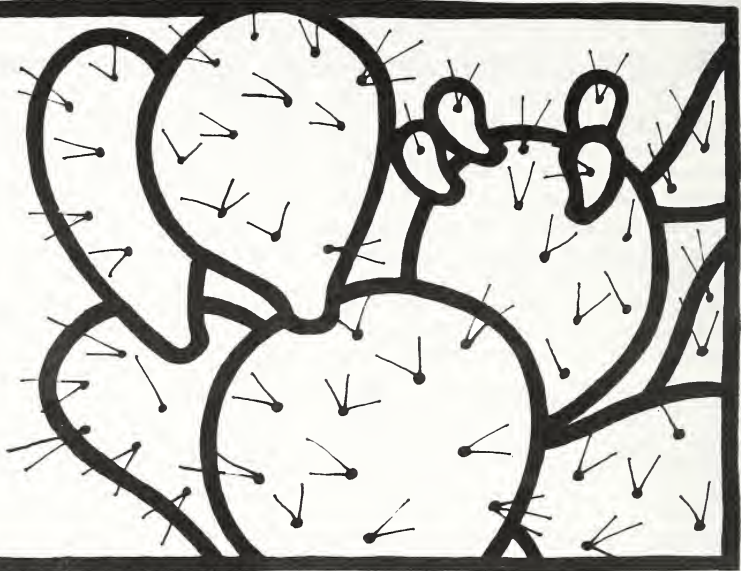
"Public demand for our data on custom rates runs very high," claims Johnson, "and the information we provide sees extensive use."



for custom haying operations, tilling, planting and seeding, and harvesting major crops.



## SOLUTION TO A THORNY PROBLEM



In winter, cattle grazing on the western Great Plains run into a sticky problem—cactus. From Montana and North Dakota to Texas and New Mexico, Plains' pricklypear cactus ranks low in the diets of discriminating livestock. But now the spiny weed may boost beef production in these more arid areas, thanks to studies by USDA's Agricultural Research Service (ARS).

Cattle rarely eat the desert plant for good reason—its spines. Singeing off the spines, though, turns the cactus into a highly nutritious feed. In fact, ARS studies revealed that heifers fed singed pricklypear cactus gained an average of  $1\frac{1}{2}$  pounds a day, compared with less than 1 pound gained by heifers fed only enough hay to approximate the nutrition they'd normally get on a winter range.

In one feeding trial, researchers placed a dozen yearling heifers, averaging 550 pounds, on a special diet. For nearly 3 months, the animals received a daily ration of grass-hay pellets and about  $\frac{3}{4}$  pound of cottonseed meal.

Half the heifers were also given as

much singed pricklypear as they wanted. On the average, each consumed around  $5\frac{1}{2}$  pounds dry weight of fresh cactus each day, along with their regular rations. At the trial's end, cattle given just the hay ration had gained only 72 pounds while those on the cactus-hay diet put on 124 pounds.

Another point in pricklypear's favor: Tests rate cactus more readily and completely digestible than hay.

Even before ARS studies began in 1974, ranchers counted on singed cactus as an emergency feed in times of drought. Practical methods and tools for harvesting and singeing cactus could permit its regular use as a supplemental feed on winter ranges.

For test purposes scientists gathered cactus to feed the heifers by hand raking it from the range. Then they placed it in an old water tank and singed off the spines with a propane torch.

Because cactus scored so well in preliminary tests, researchers have stepped up efforts to develop practical methods and machines for harvesting, singeing, and feeding cactus as a winter supplement.



# PASSPORT, PLEASE

For the first time ever, Russian collective farm workers and other rural residents will be allowed to carry passports, according to USDA's Economic Research Service.

Not passports as we know them, but *internal* passports, used to monitor the movement of people within the Soviet Union. Previously, these documents were issued only to Soviet citizens living in cities and other urban areas, as well as near border zones. Their original purpose was to control migration from farms to overcrowded cities and to maintain the size of the farm labor force.

But under new regulations, all Soviet citizens will receive passports when they turn 16. Older residents will receive the documents if and when they get permission to move or to be absent for extended periods.

Like most passports, those used in the Soviet Union contain such information as date and place of birth, residence, marital status, minor children and dependents, and nationality of the holder.

Soviet authorities don't expect the passports will accelerate migration from rural areas. Another regulation takes care of that: Citizens planning a move must first get permission from authorities at both their present and intended place of residence.

The new passport system, however, reflects improved status for the Soviet Union's rural residents. Traditionally, collective farmers have been considered inferior to other Soviet citizens, because they've tended to cling to old ways and maintain peasant lifestyles. The old system served to perpetuate their image as second class citizens by marking rural dwellers as a separate group.

Efforts are underway, though, to

modernize the USSR's collective farm sector and upgrade rural living standards. And by granting rural people the right to hold passports, the Soviet government may have taken one step toward erasing some of the old class barriers between its rural and urban citizens.

# PLOWLESS FARMING

The plow, time-honored symbol of American agriculture, may one day become a museum piece as more and more farmers turn away from plowing and traditional tillage practices to save both land and tractor fuel.

Last year, reports USDA's Soil Conservation Service (SCS), an additional 2.6 million acres were farmed using minimum tillage or no-till farming techniques, bringing total acreage farmed under these practices to a record 36 million. SCS calls minimum tillage "one of the fastest growing conservation practices in America."

With minimum tillage, farmers leave residue from previous crops on the land just beneath the surface to hold soil in place and conserve moisture. No-till, on the other hand, involves killing a cover crop of small grain, generally rye, with a safe herbicide and planting a second crop—usually corn or soybeans—directly through the stubble.

Conservationists say that on sloping lands subject to severe erosion during rainstorms, no-till farming can cut soil losses from 75 to 95 percent. Besides saving labor and energy, minimum tillage or no-till farming lowers production costs, furnishes food and cover for wildlife, and could produce bigger yields.

Plowless farming, however, may also have its disadvantages. These include possible reduction of soil temperatures and an increased number of certain insects that may survive the winter in the stubble.

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# Briefings

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RECENT REPORTS BY USDA OF ECONOMIC, MARKETING, AND RESEARCH DEVELOPMENTS AFFECTING FARMERS.

**A SLOWER DECLINE . . .** After dropping roughly 4.8% a year during the 1960's the U.S. farm population dwindled only 1.2% annually from 1970 to 1974, reaching a total of 9.3 million people in 1974. While losses of farm population continue in the South, North Central, and Northeast regions of the country, the West has shown an increase. During 1970-74, net loss to the farm population through migration or through reclassification of residences from farm to nonfarm averaged 143,000 each year—the lowest of any 4-year period in the past 40 years.

**HEAVY ON FRUIT . . .** The average American ate 5% more fruit in 1975 than the year before, according to USDA economists. Stepped-up consumption of frozen fruits and juices pushed per capita use of processed items up 6%, while Americans ate 4% more fresh fruit per person, with oranges, apples, pears, and peaches leading the advance. Economists look for total fruit use to edge slightly higher during 1976.

**LIGHT ON VEGETABLES . . .** Steady expansion of the Soviet vegetable crop suffered a setback last year as production dropped 7% from 1974 and 16% below plan. Unfavorable weather washed out hopes of a record harvest, and total production penciled out to 23 million tons, still the third largest crop ever harvested. Fresh vegetable production in the USSR has shot up 40% since 1965, but the Soviets remain hard-pressed to meet fast growing demand.

**TURKEY TOTALS . . .** Last year, U.S. turkey production slipped 6% to 2.3 billion pounds, liveweight, as producers raised 5% fewer birds than in 1974. Heavy breed turkeys raised in 1975 totaled 109 million, off 6% from a year earlier, while light breed numbers dropped 2% to 15 million. California and North Carolina produced fewer birds in 1975, offsetting a 4% bigger output in Minnesota, the Nation's No. 1 turkey State. Gross income from turkeys reached \$794 million, compared with \$679 million in 1974, with growers earning nearly 35 cents a pound (liveweight equivalent) versus an average 28 cents the previous year.

**LESS INTEREST . . .** Interest rates on nonreal estate farm loans appear to be leveling out after climbing to peak levels in early 1975, say USDA economists. Rates charged by large commercial banks have dropped considerably, while those of rural banks have eased down from their 9% average of 1975. Interest rates charged by Production Credit Associations (PCA's) stood at 8.5% this January, down more than 1% from last year's peak. Banks provide about half the total operating loan funds used by farmers, and PCA's, around 30%.

**FOOD BILLS . . .** Food prices last year posted their smallest gain in 3 years. The Consumer Price Index for all foods in 1975 averaged 8½% over 1974, versus annual increases of about 14½% during the previous 2 years. Food-at-home prices rose about 8% over 1974, compared with a year-earlier hike of 15%, while food-away-from-home cost consumers nearly 10% more. According to USDA economists, marketing spreads in 1975 made up around three-fourths of the advance in retail food prices with the farm side representing the remaining fourth.

**GOAT TALLY . . .** At the start of this year, goats and kids on Texas farms and ranches totaled 1.05 million, a drop of 9% from January 1, 1975. According to SRS's Crop Reporting Board, total value of the Texas goat population stood just below \$20 million, with average value per animal at \$19. A year earlier, value per head averaged only \$13.20, with the entire State inventory valued at \$15.2 million.

**COFFEE CRUNCH . . .** U.S. coffee drinkers can look for higher prices at the supermarket this year. Over the next 3 years, world coffee output will likely total less than consumption, and world stocks are expected to dwindle to relatively low levels. Brazil's 1976/77 coffee crop is seen at less than half the 1975/76 harvest as trees recover from last year's severe frost damage. While tea consumption will probably change little from 1975, sharply higher coffee prices in prospect for this year could pull tea use and prices higher than now expected.

**ACCELERATING COSTS . . .** In 1973, American farmers paid out nearly \$74 billion in production costs and by 1974, the figure had climbed to \$85 billion. That brought average outlays per farm from \$26,000 in 1973 to \$30,167 just a year later. Livestock and poultry costs—including feed, equipment, service fees, and marketing—amounted to \$32.5 billion in 1974, up from \$25.5 billion, while expenses related to crop production rose from \$8 to \$10.5 billion.

**AMPLE FUEL . . .** Fuel supplies should pose few problems for farmers this year, says USDA's Economic Research Service. Gasoline and diesel supplies appear plentiful, with prices down 1 to 2 cents a gallon from last fall. A relatively mild winter that enabled public utilities to meet peak customer demands without having to supplement natural gas with big amounts of propane gas has left adequate stocks of LP gas for farm use.

**ALIVE AND WELL . . .** Small towns are holding their own, according to a recent report by USDA's Economic Research Service. A study of growth trends for incorporated nonmetro cities and towns of less than 100 to 50,000 people reveals that the number of these places increased slightly from 1950 to 1970 with more new ones becoming established than disincorporating. Population in all the towns together grew 14% during the 1950's and 10% in the 1960's. Twenty-three towns became metro central cities by 1970. Only small villages of less than 500 people lost population more often than gained it.

**SUGAR SCENE . . .** Spurred in part by a change in the Soviet sugar crop, U.S. raw sugar prices have started to recover from their 2-year low of \$14.80 per cwt. last December. One result will be slightly higher prices to American consumers, probably by midyear.

**COTTON COMMERCE . . .** During the 1975/76 marketing year, world cotton trade dropped to its lowest level in 6 years as worsening economic woes depressed world demand for textiles. Total world exports fell to about 17 million bales—18% below the record volume in the 1973/74 marketing year. Cotton supplies, on the other hand, hit a post World War II high due to large beginning stocks and accelerated foreign production.

**OF WORKERS . . .** In mid-January, farm workers in the U.S. totaled an estimated 3.5 million, up 3% from a year earlier, claims SRS's Crop Reporting Board. Farm operators and unpaid family members putting in 15 hours or more during the survey week came to 2.6 million, also up 3% from January 1975. Meantime, the number of hired workers advanced 6% to 885,800, with field and livestock hands representing 69% of the total.

**AND WAGES . . .** When all methods of pay were converted to an hourly rate, wages of farm workers averaged \$2.76 last January, a gain of 12% from the previous year. Workers paid only cash wages also received \$2.76 an hour, up 27 cents from January 1975.



# Statistical Barometer

Item	1974	1975	1976—latest available data	
<b>Farm Food Market Basket:<sup>1</sup></b>				
Retail cost (1967=100)	162	175	177	February
Farm value (1967=100)	178	187	184	February
Farmer's share of retail cost (percent)	43	42	40	February
<b>Agricultural Trade:</b>				
Agricultural exports (\$bil.)	22	22	2.0	January
Agricultural imports (\$bil.)	10	9	.8	January
<b>Hogs and Pigs:</b>				
Hogs and pigs on farms March 1 (mil.)	48.5	40.3	40.9	March
Kept for breeding (mil)	7.6	6.1	6.7	March
Market (mil)	40.9	34.3	34.2	March
Sows farrowing, Dec.-Feb. (mil.)	2.3	1.8	2.0	March
Pig crop, Dec.-Feb. (mil.)	15.6	12.5	14.6	March
Pigs per litter, Dec.-Feb.	6.9	7.1	7.1	March
<b>Farm Employment and Wage Rates:<sup>3</sup></b>				
Total employment (1967=100)	89	89	91	January
Family labor (1967=100)	86	83	86	January
Hired labor (1967=100)	92	95	105	January
Wage rates (1967=100)	173	187	211	January
<b>Prices:</b>				
Consumer price index, all items (1967=100)	147.7	161.2	166.7	January
Food (1967=100)	161.7	175.4	180.8	January
Food away from home (1967=100)	159.4	174.3	180.9	January
Food at home (1967=100)	162.4	175.8	180.8	January
Beef and veal	168.5	170.0	174.9	January
Pork	161.0	196.9	210.1	January
Poultry	146.9	162.4	164.5	January
Eggs	160.8	157.8	182.8	January
Dairy products <sup>4</sup>	151.9	156.6	168.2	January
Fruits and vegetables	165.8	171.0	173.3	January
<b>Income and Spending:</b>				
Disposable personal income (\$bil.)	983.6	1,076.7	- - -	
Expenditures for food (\$bil.)	166.5	184.4	- - -	
Share of income spent for food (percent)	16.9	17.1	- - -	

<sup>1</sup>Average annual quantities per family and single person households bought by wage and clerical workers, 1960-61, based on Bureau of Labor Statistics figures.

<sup>2</sup>Preliminary.

<sup>3</sup>Seasonally adjusted.

<sup>4</sup>Includes butter.

## AGRICULTURAL SITUATION

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DIANE DECKER, EDITOR

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